



**TESTIMONY OF
CHARLES HERRICK, MD
DANBURY HOSPITAL/NEW MILFORD HOSPITAL
WESTERN CONNECTICUT HEALTH NETWORK
SUBMITTED TO THE
APPROPRIATIONS COMMITTEE
Thursday, February 16, 2017**

HB 7027, An Act Concerning The State Budget For The Biennium Ending June Thirtieth 2019, And Making Appropriations Therefor

Thank you for the opportunity to speak to you today. I am Dr. Charles Herrick a practicing psychiatrist and chairman of the Department of Psychiatry for Danbury and New Milford hospitals – part of the Western Connecticut Health Network. I am here today to appeal to you to oppose the Governor’s proposed budget for the coming biennium. Not only does the new budget propose a tax scheme based on a baseless foundation, it proposes redirecting funds intended to pay for healthcare for the poor and redirecting these to offset the State’s pension and other liabilities.

HB 7027 as drafted establishes yet another tax on hospitals. It involves a scheme to eliminate our real property tax exemption, allowing municipalities to tax hospital property. It is built on the premise of a federal match that many say is disappearing. Equally concerning is that this proposal promotes potential discord between hospitals and their communities-relationships we have worked very hard to build and maintain in order to serve the needs of our residents.

Additionally, this budget reduces reimbursements for services provided for mental health supports by \$4.7 million each year, for the next two years through Department of Mental Health and Substance Abuse funding cuts. These cuts come at a time when we are facing an opioid crisis and mental health supports in the community are more critical than ever.

Our emergency departments are filled on any given day with those who are in crisis, living through and unfortunately dying too, as a result of substance abuse. Our community care teams are doing amazing and effective work to reduce avoidable ED visits and stabilize high-utilizing patients, even housing many. But the needs are growing, and these programs remain unfunded.

Our hospitals are still reeling from year-over-year tax increases, robbing wonderful programs like this of needed resources. The fact is the current debilitating tax burden and low Medicaid reimbursement rates do not allow our hospitals to support preventive programming that does not provide direct patient care in revenue generating services.

In addition to opposing budget cuts in mental health care services, I strongly urge you to oppose the Governor's budget related to new taxes on hospitals, and ultimately the patients we serve.

Thank you for your time and attention.